

City of Burlington, Cannabis Business FAQs September 2022

Below is a list of frequently asked questions related to operating a cannabis business in the City of Burlington.

The State of Vermont also provides extensive information on their website https://ccb.vermont.gov/

General

1. Are cannabis establishments allowed in Burlington?

 Yes, all license types are allowed in the City of Burlington. Per state law, municipalities only have discretion over whether to allow cannabis retailers within their borders. On Town Meeting Day 2021, Burlington voters voted affirmatively to allow cannabis retailers in the city and in August 2022 Burlington City Council voted to establish a local cannabis control commission.

2. Will there be a cap on the number of licenses within the city?

• No, neither the State nor the municipality will be capping the number of licenses. Municipalities are prohibited from capping the number of licenses.

Opening a Cannabis Business

3. What do I need to do if I want to open a cannabis related business in Burlington?

- You should contact the <u>Department of Permitting and Inspections</u> early in the process of planning for a cannabis business to ensure that your business is opening in a permitted location and to determine what local approvals will be needed. This <u>project questionnaire</u> will provide you with an overview of needed City approvals based on your business license type and location in the city.
- Separately, you should review information on the State Cannabis Control Board's website regarding opening a
 cannabis business. Review application requirements carefully as some Burlington-issued permits (i.e. fire
 marshal review) may be needed to fill out a complete state application.
- Once your state license application has been approved by the state's Cannabis Control Board (CCB), your
 application will be forwarded to the City of Burlington as per the <u>State Application Process</u>.
- The final approval prior to operating in the City of Burlington is an approved license from the City's cannabis control commission. You will be notified by the City Clerk's Office when the City has received notice from the state CCB of your state license approval, and provided with instructions to fill out a local license application and attend a meeting of the city's Cannabis Control Commission.

4. Can businesses obtain local permits (i.e. zoning) for an establishment before they have a state license?

- You may rent a space and obtain zoning and trades permits at your own risk.
- Burlington's local cannabis control commission cannot approve a license for your operation until your State Cannabis Control Board application has been approved and forwarded to the City.

Location Restrictions & Local Permitting Requirements

5. Where can I open my cannabis related business?

- Cultivation, manufacturing, testing and wholesale businesses may open where the city is zoned for such
 activities. See the sections on Zoning and Water Resources below for guidance, and direct questions to
 applicable City departments to ensure the suitability of a location you're exploring.
- Retail establishments may open in areas of the city that are zoned to allow retail. However, Vermont's <u>Drug Safe School Zones law</u> prohibits retail sales within a 500 ft. area around a K-12 school when they're on properties adjacent to or across the street from the school facility.
 - NOTE: Please consult this map of applicable schools and properties currently utilized for school purposes. If your location falls within one of the blue buffer areas, carefully review whether it is on a property that shares a property line or is directly across the street from a school use. You must ensure the location will not be in violation of state law.

6. How will my cannabis business be categorized under the City's Zoning ordinance?

- Carefully review the City's <u>Comprehensive Development Ordinance</u> for any applicable regulations for your location or establishment type. In particular, review the <u>map of zoning districts</u> and <u>allowable uses</u> within these districts.
- In general, the table on the next page summarizes how state licenses are reviewed under city zoning rules, and provides a basic summary of where each license type is generally allowed in Burlington.
 - NOTE: This information is provided only as a general reference. You <u>must</u> consult with the Dept. Of
 Permitting & Inspections to ensure that your business meets these use definitions and that the location you
 are considering is a permissible location.
- Contact the <u>Dept. Of Permitting & Inspections</u> to ensure your business type is allowed in its location, and that the location is in compliance with VT's Drug Safe School Zone law.

7. What Water/Wastewater Permitting requirements are there for cannabis businesses?

Burlington Water Resources supplies all domestic water, and provides wastewater & stormwater collection and treatment services to the City. Applicants should contact the Water Resources Division as early as possible in the process to prevent any undue delays. Reach the team at (802) 863-4501 or via email at water-resources@burlingtonyt.gov. Potential water reviews may include:

Water/Wastewater Capacity Allocation

Flow demands for new construction, redevelopment, or changes in use for an existing space often require evaluation to ensure ongoing compliance with State and Local regulations. Cannabis operations can range widely in their processes, and it's important that we understand how the business will be utilizing water and wastewater resources so we can ensure the system is serving you appropriately – and prevent any undue impacts to the collection system!

• Backflow Prevention Review

Backflow prevention devices protect the drinking water distribution network from possible contamination from individual water service connections. This can sometimes occur if there is a water break or some other event that causes the pipes to lose pressure, causing a sort of "siphon" effect on individual services.

• FROG Protection Review (Fats, Rags, Oils, and Grease)

Certain extraction processes may require the use of a grease trap, to ensure those materials do not enter the sewer and cause blockages. It's important for ALL new businesses in the City to read & understand our "what to flush" guide, and to review that information with staff on a regular basis.

Industrial Waste Review

Burlington wastewater facilities function through a complex ecosystem of microorganisms, which are critical to the wastewater treatment process. Like any living thing, these organisms are susceptible to sudden, extreme changes in their environment. It's important that we understand what products, chemicals, etc. Your business may be flushing into the sewer to ensure the long-term health of our wastewater plants.

Water Meter Sizing & Installation Review

This is not just for new development – in cases where a business is moving into an existing space, we still need to obtain an up-to-date fixture count to confirm the water meter is sized properly for the proposed use.

Summary of State License Types & Burlington Zoning Categories		
State CCB License Type	City Zoning Use Category	General Summary of Zoning Districts Allowed
		(see <u>Burlington CDO</u> for a map & Zone acronyms)
Cultivation Tiers	Agriculture	• Permitted Use: E-AE, I, RCO-R, RCO-A
(indoor/outdoor/mixed		Conditional Use: RCO-C
growing operation)		Some tiers may also be allowed as a home
		occupation. See Sec. 5.4.6 for applicability.
Manufacturer Tier 2	Light Manufacturing	Permitted: Downtown Form Districts 5 & 6, E-LM
(extraction method limited to		Conditional Use: E-AE and NMU including limit of
water, food or heat/pressure		10,000 sq.ft.
based; no solvent based)		
Manufacturer Tier 3	Manufacturing	Permitted: Downtown Form Districts 5 & 6, E-LM
(extraction may include solvent based methods)		Conditional Use: E-AE and NAC- R
Manufacturer Tier 1	Light Manufacturing as a Home	Permitted Use: Downtown Form Districts 5 & 6,
(same extraction methods as	Occupation	other mixed-use districts
Tier 2, \$10,000 revenue	Occupation	Conditional Use: Residential districts
limit/yr; only home-based		
business)		• See Sec. 5.4.6 for applicability.
Wholesaler	Wholesale Sales	• Permitted Use: Downtown for Districts 5 & 6,
(sell finished products only to		NAC-R, E-LM, E-AE
other licensees)		
Testing Laboratories	Research Lab	Permitted: Downtown Form Districts 5 & 6, E-LM
(Test cannabis products)	(excludes manufacture or sale)	Conditional: NMU zones, I, RCO-A
Retailers	General Retail- less than 4,000	• Permitted: Downtown Form Districts 5 & 6, E-LM,
	sq.ft.	NMU & NAC districts
	General Retail- more than	Permitted: Downtown Form Districts 5 & 6
	4,000 sq.ft.	
	4,000 34.11.	 Conditional Use: E-LM, NAC districts Not Permitted: NMU
		Not Permitted: NMO
	Garden Supply Store	Permitted: Downtown Form Districts 5 & 6, E-LM,
		E-AE, some NMU & NAC districts
		• Conditional Use: NMU (and limited to 4,000 sq.ft.)
		Conditional ose. Nivio (and inflited to 4,000 sq.ft.)
	Bakery (by state law, may not	Permitted: Downtown Form Districts 5 & 6, E-LM,
	have on-site consumption)	NMU/NAC districts
		Conditional Use: Residential High Density
		Conditional Ose. Residential High Density
	As a Neighborhood Commercial	Permitted: spaces less than 2,000 sq.ft.
	Use in Residential Zones	• Conditional Use: spaces between 2,000 - 4,000
	(applies to historic bldgs or spaces	sq.ft.
	previously occupied by another	•
	neighborhood commercial use)	Not Permitted: greater than 4,000 sq.ft.

Business Licensing/Taxation questions

8. Will there be any additional municipal taxation on cannabis?

• All retail cannabis establishments will need to collect the City's 1% local option tax. Per VT law, no additional local tax will be imposed.

9. How much is a municipal cannabis license?

• The state has set the cost of a local license at \$100 for application and renewal. The applicant will pay this directly to the state as part of their state license application process, and it will be remitted to the city on an applicant's behalf.

10. Is there any technical support available for new businesses?

- The State of Vermont has created a Cannabis Business Development Fund for social equity applicants. You can learn more here: https://ccb.vermont.gov/socialequity
- In addition, the City's Business and Workforce Development Team can also be of assistance: https://www.burlingtonvt.gov/bwd

Appeals

11. Can permits and licenses associated with my business be appealed or revoked by the City or my neighbors?

- Neighbors and other stakeholders may be eligible to appeal, intercede, or request review of permits or licenses based on their relationship to the business premises. Procedure varies by type of permit or license.
- Non-parties who wish to have a decision of the Local Cannabis Control Board reviewed may petition for review by the Vermont Superior Court in accordance with Court Rules.

12. If my local cannabis control license is conditioned, denied, or revoked, can I appeal a decision of the Commission?

- Yes. You may appeal a denial or revocation of your local cannabis control license by the Burlington Local
 Cannabis Control Commission to the Vermont Superior Court in accordance with <u>Vermont Rule of Civil</u>
 <u>Procedure 74 (Appeals from Decisions of Governmental Agencies)</u>. Please note this only applies to local denial or revocation of your license.
- For information on appealing a denial or revocation of your state-issued cannabis license, please contact the Cannabis Control Board.